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Attorneys for Plaintiffs

*Attorneys for Defendants Wells Fargo & Co. and
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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

SHAHRIAR JABBARI and KAYLEE
HEFFELFINGER, on behalf of themselves and all
others similarly situated,

Plaintiffs,

V.

WELLS FARGO & COMPANY AND WELLS
FARGO BANK, N.A.

Defendants.

No. 15-cv-02159-VC

**STIPULATION AND ADMINISTRATIVE
MOTION RE SETTLEMENT RESERVE
AND SCHEDULE; [PROPOSED] ORDER**

Judge: Hon. Vince Chhabria

NOTICE OF JOINT ADMINISTRATIVE MOTION

PLEASE TAKE NOTICE that, pursuant to Civil Local Rules 7-11, Plaintiffs Shahriar Jabbari, Kaylee Heffelfinger, Jose Rodriguez, and Antonette Brooks (collectively, "Plaintiffs"), on the one hand, and Defendants Wells Fargo Bank, N.A., and Wells Fargo & Co. (collectively, "Wells Fargo" and

1 together with Plaintiffs, the “Parties”), on the other, jointly move this Court for an order modifying the
 2 existing schedule in this Action as set forth below.¹

3 **I. BACKGROUND**

4 In August 2017, Class Counsel raised with counsel for Wells Fargo a question about the
 5 possibility that the number of Unauthorized Accounts identified in the claims submitted by Settlement
 6 Class Members could potentially exceed the Plaintiffs’ estimate of 3.5 million that Plaintiffs provided to
 7 the Court in connection with preliminary approval briefing.

8 While neither Plaintiffs nor Wells Fargo believes that the claims process will result in the
 9 identification of more than 3.5 million individual potentially Unauthorized Accounts, Plaintiffs believed
 10 that it was important to address the possibility. With the assistance of the mediator, the Hon. Layn R.
 11 Phillips, and following extensive negotiations, the Parties have agreed to address Plaintiffs’ concerns
 12 through two steps.

13 First, the Parties request that the Final Approval Hearing be continued to March 20, 2018, from
 14 the current hearing date, January 4, 2018. This would allow the Final Approval Hearing to occur after
 15 the February 3, 2018 Deadline to Submit Claim Form so that parties will not need to speculate, and,
 16 instead, will know how many Unauthorized Accounts are identified by Settlement Class Members in the
 17 claims process.²

18 Second, the Parties have agreed that the \$25 million “Gross-Up” provided by the Settlement for
 19 non-compensatory damage, Settlement ¶ 9.9, will be adjusted proportionately in the event the number of
 20 Unauthorized Accounts identified by Settlement Class Members in the claims process, and not disputed

21 ¹ Capitalized terms have the same meanings as defined in the Amended Stipulation and Agreement of
 22 Class Action Settlement and Release, filed on June 14, 2017 (Dkt. 162), and the Order Granting
 23 Motion for Preliminary Approval, dated July 8, 2017 (Dkt. 165).

24 ² It is possible that, as of that date, there will be claims as to which the Settlement Administrator is still
 25 making a final determination. Nevertheless, the Settlement Administrator should be able to provide
 26 information concerning the total number of accounts claimed and the portion of those that are
 27 potentially subject to dispute.

1 by the Settlement Administrator, exceeds 3.5 million. The rationale for this change is based on the
 2 structure of the Settlement.

3 The Settlement provides for three types of payment: (1) Fee Damages and (2) Credit Impact
 4 Damages, both of which are “Compensatory”; and (3) and a per account “residual” payment, which is
 5 termed “Non-Compensatory Allocation” under the Settlement. *See id.* ¶¶ 9.7, 9.8. The Settlement
 6 provides for a reserve totaling \$25 million for residual, per account payments to Settlement Class
 7 Members. *Id.* ¶ 9.9. Wells Fargo has agreed that if the Settlement Fund is insufficient to cover Fee
 8 Damages and Credit Impact Damage payments based on the formula in the Settlement, it will put in
 9 more money. *Id.*

10 Because Wells Fargo has already agreed to increase the Settlement Fund if necessary to ensure
 11 full payment of the compensatory elements—Fee Damages and Credit Impact Damages, the only aspect
 12 that could be impacted by the number of accounts identified in the claims process is the \$25 million
 13 reserve for the non-compensatory residual payment. The Parties have agreed that in the event the
 14 number of Unauthorized Accounts identified by Settlement Class Members in the claims process and not
 15 disputed by the Settlement Administrator exceeds Plaintiffs’ 3.5 million estimate, Wells Fargo will
 16 proportionately increase the \$25 million reserve so that the ratio of reserve to Unauthorized Accounts is
 17 no less than what was implied by Plaintiffs’ estimate at the time of Preliminary Approval.

20 II. STIPULATION

21 The Parties further request that deadlines for approval events that have not yet occurred should
 22 be adjusted as well so that the interval between Final Approval and each deadline stays the same as
 23 originally ordered by the Court. The one exception is the deadline for Mailed Notice, for which the
 24 parties request an extension until 35 days following the issuance of an order granting this administrative
 25

1 motion to allow sufficient time to print the revised Mailed Notice³. The following table indicates the
 2 current deadline, and the new deadline requested by the Parties:

Event	Current Deadline	Proposed New Deadline	Interval per Preliminary Approval Order
Settlement Administrator will issue Mailed Notice to Automatically-Enrolled Claimants and Consultant-Identified Persons	Monday, 10/30/17	35 days after order granting this administrative motion	100 Days after Preliminary Approval Order *deadline extended from October 16 to October 30 during 10/5/2017 telephonic conference
Class Representatives to file Motion for Final Approval and/or Attorneys' Fees	Friday, 11/03/17	Friday, 01/19/18	120 Days after Preliminary Approval Order ⁴ *date changed per court order dated 07/28/17
Class Counsel to submit interim report to the Court regarding implementation of the Credit Impact Damages process	Wednesday, 11/15/17	Monday, 01/29/18 50 Days before Fairness Hearing	130 Days after Preliminary Approval Order
Objection and Opt-Out Deadline	Tuesday, 12/05/17	Monday, 02/19/18 29 Days before Fairness Hearing	150 Days after Preliminary Approval Order

23
 24 ³ The Court granted a two-week extension of the Mailed Notice deadline during the Status Conference
 25 on October 5, 2017; however, because the information in the Mailed Notice cannot be updated until
 26 after the Court's decision on this motion, respectfully, we are seeking additional time to prepare and
 27 issue the Mailed Notice.

28 ⁴ The interval between the Final Approval Hearing and all other deadlines remains the same in the
 29 proposed revised schedule, except as necessary for the new deadline not to occur on a weekend. For
 example, the deadline for Plaintiffs to file motion for final approval and attorneys' fees is 60 days
 before the Final Approval Hearing in both the original and proposed revised schedule.

Event	Current Deadline	Proposed New Deadline	Interval per Preliminary Approval Order
Class Representatives to file Reply on Final Approval and/or Attorneys' Fees	Wednesday, 12/20/17	Friday, 03/09/18 11 Days before Final Approval Hearing	170 Days after Preliminary Approval Order *date changed per court order dated 07/28/17
Final Approval Hearing	Thursday, 01/04/18 (10am)	Tuesday, 03/20/18 New Date for Final Approval Hearing	180 Days after Preliminary Approval Order
Deadline to Submit Claim Form	Saturday, 02/03/18		210 Days after Preliminary Approval Order
Class members that wish to appear at Final Approval Hearing, file with the clerk a written notification	Thursday, 12/21/17	Tuesday, 03/6/18 14 Days before Final Approval Hearing	Not later than two weeks before the Final Approval Hearing

Respectfully Submitted,

DATED this 7th day of October, 2017.

KELLER ROHRBACK L.L.P.

By /s/ Derek W. Loeser (w/ email permission)
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***Attorneys for Defendants Wells Fargo &
Co. and Wells Fargo Bank, N.A.***

1 PURSUANT TO STIPULATION, IT IS SO ORDERED.
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DATED: October 20th, 2017.



Hon Vince Chhabria
United States District Court
Northern District California